AD INEXPLORATA

AIR FORCE MATERIEL COMMAND

CHANGING THE AIR FORCE FLIGHT TEST CENTER

POSITION REPORT

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AGENDA

- Case for Change
- AFFTC Change Update
- Change Strategy and Plan
- Organizational Impacts
- Support Required

AFFTC CHANGE UPDATE

- Why Change?
  - A few numbers…

0
33
46
62
1674
2300
13,896
341,500

AFFTC CHANGE UPDATE

- **Why Change?**

- number of T-6A Texan II test hours flown at Edwards
.33 - amount we get for every $1.00 of RPMC we need
46 – AFFTC engineer shortfall (today)
62 – AFFTC pilot shortage “fair share” allocation
1674 – # of days to publish TR 97-27
2300 – AFFTC manpower savings commitment
13,896 – FY01 customer cost of one F-15 flying hour
341,500 – USAF projected end strength

But, these are just indicators of something bigger…
We’ll revisit this question later.

AFFTC CHANGE UPDATE

- CS&P/A-76…

- Air Logistics Support Services (AGE, Trans Alert)
  -- 146 positions: 122 enlisted, 24 civilian
  -- MEO win; 57 positions – Implement Oct 01
- Base Library
  -- 7 positions: all civilian, MOU in to convert to NAF
  -- Implement Oct 01
- CE/Trans
  -- 505 total positions: 11 officer, 201 enlisted, 293 civilian
  -- Oct 01 Decision (AFMC) – Implement Aug 02
- Other Planned A-76s
  -- 930 total position: 17 officer, 513 enlisted, 400 civilian

AFFTC CHANGE UPDATE

- **Also …**

  Today, I cannot tell you what my “T&E capacity” is

AFFTC CHANGE UPDATE

- **Re-engineering…**
- **Done and implementing:**
  - **Test Pilot School**
  - **Environmental Management**
  - **Contracting**
  - **Human Resources Development**
- **In work:**
  - **Information Technology Directorate (AFFTC/IT)**
  - **Test & Evaluation Process (412 TW)**
  - **Reengineered Center Scheduling**
- **But , we’re just getting started…**

AFFTC CHANGE UPDATE

- Re-engineering…
- Major AFFTC RE focus today: 412th Test Wing
  - "Toward a New Future: Roadmap for the 412 TW"
  - Key Driver: Test & Evaluation: A +
    Running the Business: C –
  - Costs too much, takes too long…
- 412th Test Wing Goals:
  - Focus on mission/connect with the warfighter
  - Improve the business of test
  - Reinvent test and evaluation
  - Automate with information technology
  - Provide opportunity to learn and grow

AFFTC CHANGE UPDATE

- **Back to the "Why?"…**
  - **AF is changing around us…Expeditionary… lighter, leaner, more lethal…the IO "explosion"…FFTTAK 24/7…**
  - **Complexity of 21st century weapons (e.g., JSF 8M SLOC)**
  - **External pressures (e.g., acquisition reform, F-B-C, ACTDs, SPO-led T&E)**
  - **The economic boom will continue (hopefully!)**
  - **Our customers demand better business performance today, and will continue to do so tomorrow**

AFFTC CHANGE UPDATE

- However, the biggest reason is OPPORTUNITY!

  We have the motivation and rationale…
  We have the team and the expertise…
  We have the momentum…
  We have the opportunity…

…to define the future of T&E at Edwards AFB, AFMC and the United States Air Force!

AFFTC CHANGE UPDATE

AFFTC Vision…

We Will Be The Recognized Center Of Excellence For Aerospace Research, Development, Test, And Evaluation…

Warriors Supporting Warriors
Agile, Responsive, And Competitive
A Great Place To Live And Work

Testing The Future Today--Toward The Unexplored

AFFTC CHANGE UPDATE

Final Thoughts…

We know where we want to go…we know what hard work it is…but we also know how important these changes are to the future of this Center, the Command and our Air Force. We all need to get behind change at Edwards AFB.

Business as usual won't cut it anymore.

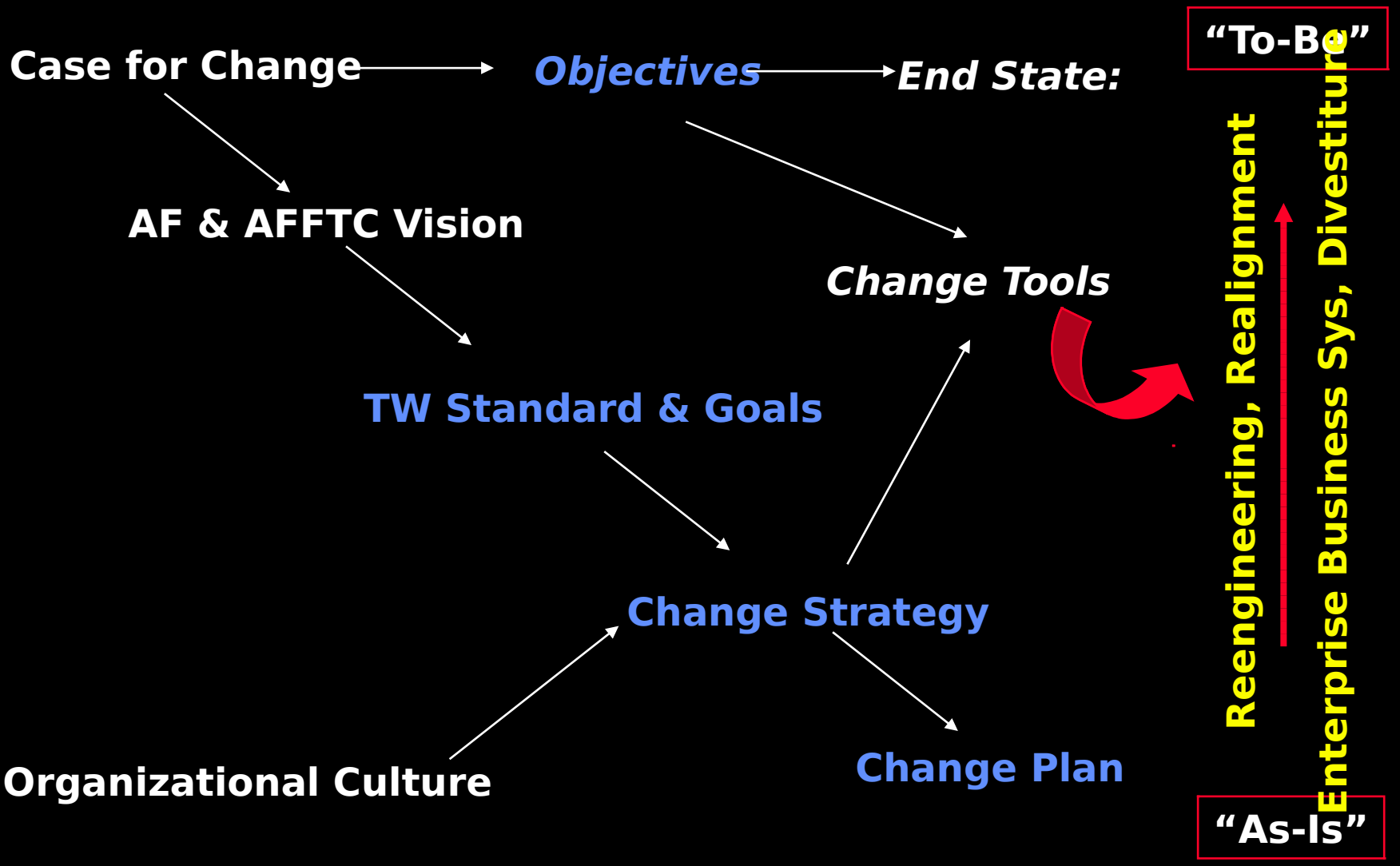
Change needs to be mission number 1.

Toward a New Future:

Roadmap for the 412th Test Wing

We will meet our commitments to serve the Warfighter--on time, every time

T&E CHANGE ROADMAP



WHY CHANGE?

- Capacity? Workload? One process?
- No coherent picture of enterprise
- Lack exploitation of Information Technology
- Evolution to “Aerospace Power”
- Changes in Customer Expectations

“Change is Mission # 1!”

OBJECTIVE

- Improve effectiveness & efficiency
  - Remove duplication, scrap, rework, “brute force”
  - Avoid relearning
  - Meet customer needs…operate like a business
- Process-centered organization
  - Disciplined, repeatable processes
  - Organized around processes
  - Lean and Agile
- IT-based enterprise

412 TEST WING STANDARD & GOALS

We will meet our commitments to serve the Warfighter--on time, every time

Provide an Opportunity to Learn & Grow

Focus on Our Mission/Connect With Warfighte

Improve Business of Test

Reinvent Test & Evaluation

Automate With Information Technology

CHANGE STRATEGY

- **Use the appropriate change tool**
  - **Reengineering**
  - **Acquisition, Divestiture**
  - **Reorganization, A-76**
  - **Continuous Improvement**
- **Start with business processes *(our customers)***
- **Evolve to test *(our future – "Aerospace Power")***
- **Support with IT solutions**
- **Leverage AEDC investments and lessons learned**

CHANGE PLAN

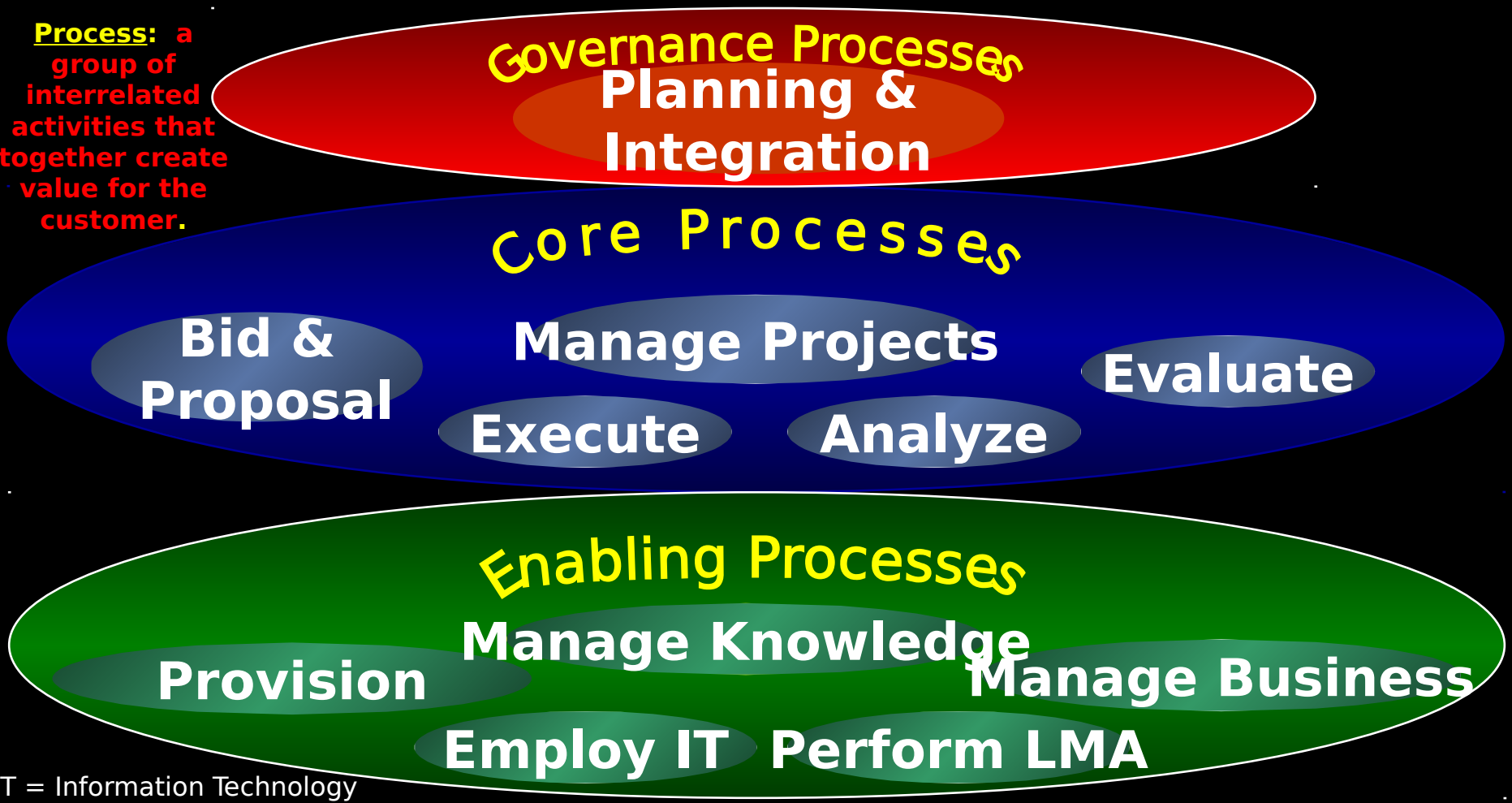
- Four main tasks
  - Reengineer Processes
    - Dedicated, full time team
    - Defined and validated methodology
  - Realign Resources of 412 Test Wing
    - Directed by Test Wing Senior Leadership
  - Implement Enterprise Business System
    - Integration Contractor (AMS)
  - Divestiture to Source Funding
    - Dedicated full time team

TASK 1: REENGINEER

- What
  - Reengineer T&E Processes
- Why
  - Inefficient operations (too expensive, takes too long)
  - Provide disciplined, repeatable processes
  - Provide visibility into T&E mission area performance
- How
  - Full time, dedicated team (DONE)
  - Develop and validate methodology (DONE)
  - Reengineer Project Management (IN WORK – 1 Mar 01)
  - Reengineer Business Management (1 Feb – 1 Oct 01)

T&E PROCESS MAP

Process: a group of interrelated activities that together create value for the customer.



IT = Information Technology
LMA = Leadership, Management, Admin

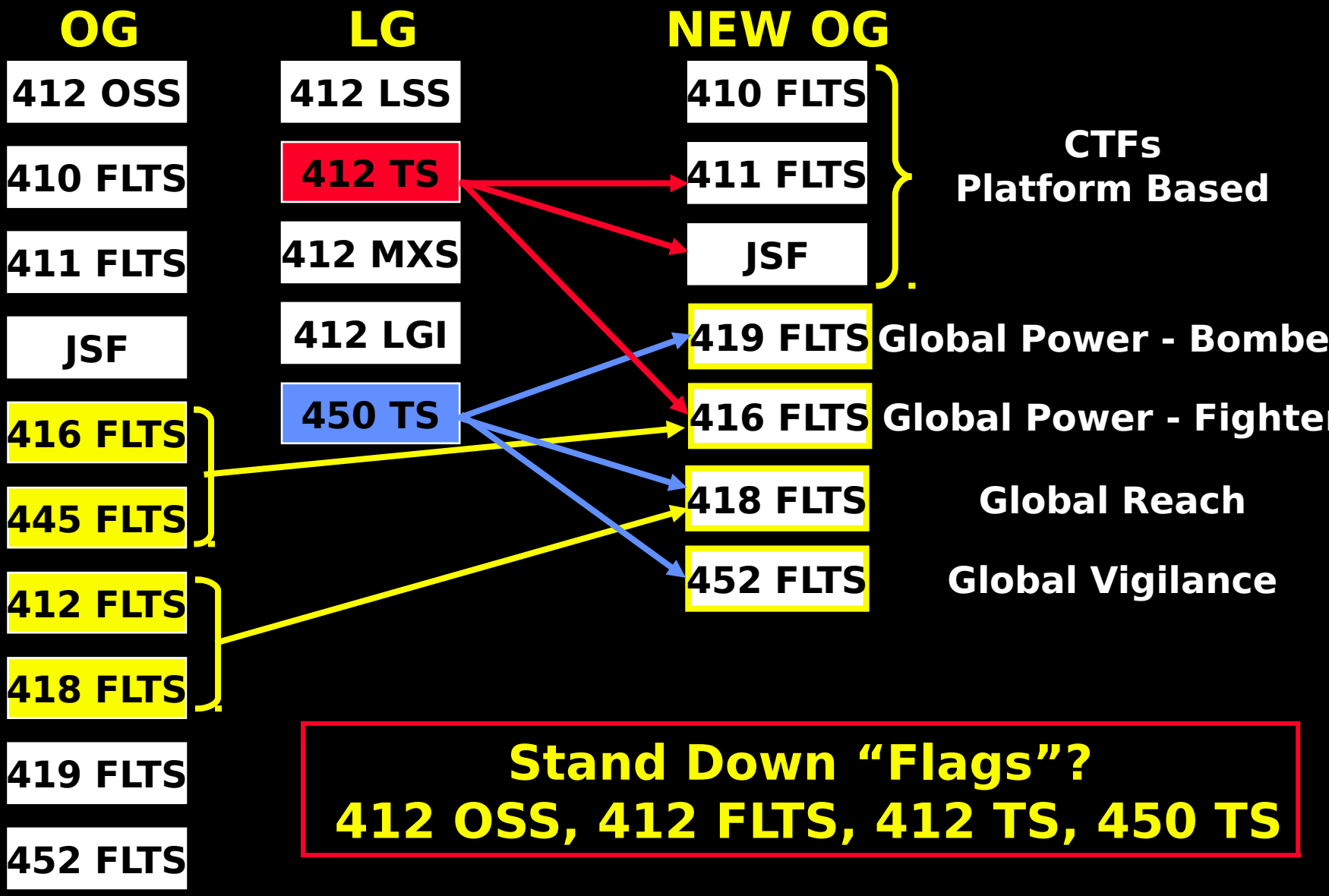
TASK 2: REALIGNMENT

- What
  - Realign 412 TW resources around processes
- Why
  - Aligns organization by Products & Services
  - Process Owners have all the resources
  - Prepares for A-76
  - Postures for transition to Working Capital Fund
- How
  - Select Process Owners (DONE)
  - Define Key T&E processes (DONE)
  - Identify and associate resources (IN WORK – 31 Jan 01)
  - Realign Manpower, Personnel, Money (1 Mar – 1 Oct 01)

TASK 2: REALIGNMENT
Organizational Impacts

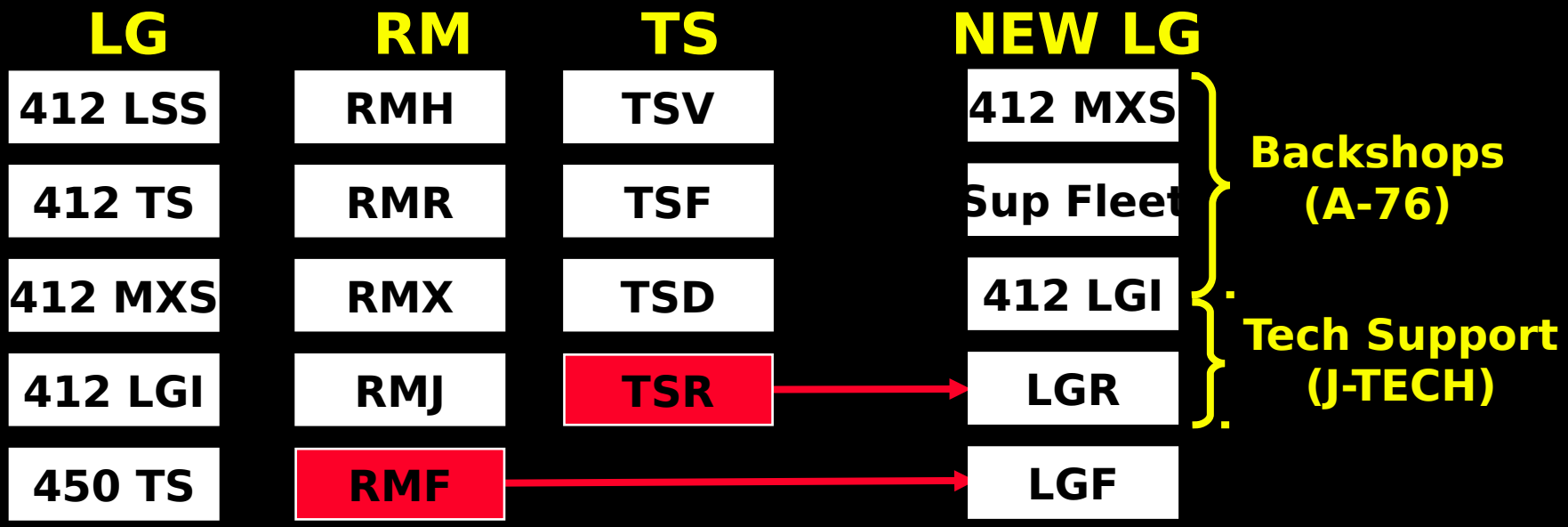
- Restructure OG (Execute Test)
  - Military Utility
  - "Blue Suit" Required
- Restructure LG (Provision for Test)
  - Outsource A-76, J-TECH
- Stand up Project Management Directorate (Bid & Proposal, Manage Projects)
- Stand up EN Directorate (Plan, Analyze, Evaluate)
  - Establish technical career path
  - Test technology development

TASK 2: REALIGNMENT
Restructure OG



Stand Down "Flags"?
412 OSS, 412 FLTS, 412 TS, 450 TS

TASK 2: REALIGNMENT
Restructure LG



Stand Down “Flags”?
412 LG, 412 LSS

TASK 3: ENTERPRISE BUSINESS SYSTEM

- What
  - Incorporate enterprise business system from AEDC
- Why
  - Leverages AF investment and lessons learned
  - Provides one set of Center processes
    - » Financial, workload, project, information, and HR management
  - Provides T&E mission area visibility
- How
  - Establish Project Office (Jan 01)
  - Establish contract with AMS (Jan 01)
  - Develop Implementation Plan (Jan 01 – 1 Oct 01)
  - Incorporate Business System (1 Oct 01 – ?)

TASK 4: DIVESTITURE

- What
  - Resource funding and manpower for Reengineering and Enterprise Business System
- Why
  - Provide more efficient operations
  - Address resource shortage in FY01
  - To fund procurement of Enterprise Software tools
- How
  - South Base support study (DONE - CULTURE CHANGE)
  - Review LG operations (DONE)
  - Stand up Divestiture Tiger Team (Jan 01 – 1 Oct 01)
  - Review all other operations (Jan 01 – 1 Oct 01)

DELIVERABLES

- Change Roadmap & Structure
  - Strategy & Plan
  - Change Organization

- Realign the Test Wing
  - Single Process for Project and Business Management
  - Enterprise Wide Management Information System
  - Position the Test Wing for
    - Future Reengineering
    - Future CS&P
  - Continue Culture Change -- establish corporate mentality

Better T&E for the Warfighter

WHAT DO WE NEED

- **Support/Recognize**
  - New organizational structures and approaches
  - Potential changes/waivers to regulations, instructions, and policies
  - Reinvention Lab status
- **Funding**
  - Divestiture is principal source
  - Need to be able to apply savings identified locally
  - Fence off efforts from Sourcing Drills
- **Continued Staff Support**
  - Standardize cost structure, and rate practices and methodology across mission area
  - Establishment of engineering technical career path
- **Strong Leadership**

QUESTIONS?

Testing the future today … Toward the Unexplored

BACKUP SLIDES

ENTERPRISE SOLUTION

- AEDC Architecture & Lessons
- Integration Contractor (AMS)
- Program Office
- Testing and Training Facility (Bldg 3949)
- Divestiture to Fund
- Develop Strategy & Plan
- Begin configuring and installing COTS

REENGINEERING

Re-engineering: What is it?

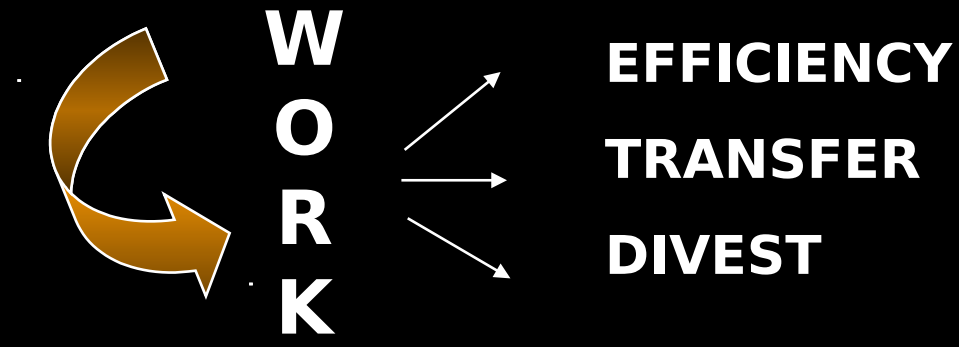
"The fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in organizational performance."

Hammer & Champy

WHAT'S DIFFERENT?

DESIGN THE ORG STRUCTURE → IDENTIFY THE PEOPLE → DEFINE THEIR WORK → REALIGN

DESIGN THE PROCESS → IDENTIFY THE RESOURCES → DESIGN THE STRUCTURE → REALIGN



TOP WAYS TO FAIL AT REENGINEERING

- Don’t reengineer, but say that you are
- Don’t focus on processes
- Spend vast time analyzing the current situation
- Proceed without strong executive leadership
- Be timid in redesign
- Go directly from concept to implementation
- Reengineer slowly
- Place some aspects of the business off-limits
- Ignore the concerns of your people

The Reengineering Revolution, M. Hammer & S. Sta

OUR REENGINEERING APPROACH

- Dedicated team
  - Full-time civilian and military
  - Professional reengineering contractor support
- Strong leadership, Sense of urgency
- Disciplined reengineering methodology
- Identified key T&E processes
- Change leadership, Cultural assessment, Communications
- Everything is on the table!

PROCESS vs ORGANIZATION

- Process
  - Work Flow
  - Provides product and services
  - Multi discipline
- Organization
  - Structure
  - Houses resources
  - Functional disciplines

PROCESS DEFINITIONS

- Upon receipt of enterprise guidance, **Planning and Integration** process team will provide execution planning, allocate resources, develop T&E policies and processes, and manage inter-process linkages.

- Upon receipt of T&E resource requirements and allocated resources, **Manage Business** process team will provide financial, manpower, and personnel support, and analysis of capacity and performance to enable test and evaluation.

- Upon receipt of a customer request, the **Bid and Proposal** process will work with the customer to develop a mutually supportive and beneficial T&E Agreement

- Upon receipt of a customer agreement, the **Project Management** process will develop a project plan, management cost, schedule, performance, and satisfaction, and ensure T&E commitments are satisfied, on time, every time.

PROCESS DEFINITIONS

- Upon receipt of the project plan and associated resource requirements, **Provisioning** process team will develop and maintain people, infrastructure, and consumables for configuration to enable test and evaluation.

- Upon receipt of valid test data and the project plan, the **Analysis** process team will complete analysis that converts valid test data into information and findings about the system(s) under test.

- Upon receipt of the project plan and valid test information (findings), the **Evaluation** process team will evaluate test findings to develop conclusions that provide knowledge about the system(s) under test.